



CGI

Canadian General Investments,
Limited

Long term
growth
and income

ANNUAL REPORT 2000

Corporate Profile

Canadian General Investments, Limited is a closed-end equity fund focussed on medium to long-term investments in Canadian corporations. It strives, through prudent security selection, timely recognition of capital gains and appropriate income generating investments, to provide better than average returns to investors.

CGI was established in 1930 and has been managed since 1956 by Morgan Meighen & Associates Limited.

Net Asset Value per share is calculated daily, distributed via various news services, and is published in the financial media in Canada, the United States and the United Kingdom. Market prices are published daily in Canada and the U.K and at the weekend in the U.S.

CGI's shares and warrants are traded through stock brokers and listed on the Toronto Stock Exchange (symbols: common: CGI, preference: CGI.PR.A, and warrants: CGI.WT). On the London Stock Exchange: (Reuters symbols: common shares – CGIq.L, warrants – CGI%q.L). CGI is the only active internationally listed closed-end Canadian equities fund.

All percentages in this Report are calculated from unrounded amounts.

Letter to the Shareholders

Dear Shareholder, In the past decade, the Corporation has experienced a rise in net assets of 33.2% from \$235 million to more than \$313 million, and the assets have generated close to \$86 million in cash distributions to shareholders in the form of income and capital gains dividends. Over the period, there was a 14.3% compound rate of growth earned on an investment in CGI shares, including the reinvestment of dividends.

Since 1996, CGI has issued over 6 million new common shares through capital gains stock dividends, representing a share capital expansion of approximately 43%.

At year-end 2000, calculated on a per share basis, NAV was a record \$15.31. On a fully diluted basis, NAV was \$14.06, representing growth of 6.0% for the year, including five cash distributions totaling \$0.84. Total net assets at \$313,309,000 were up slightly from \$310,127,000 at December 31, 1999.

Portfolio

The Corporation's portfolio asset strength has been maintained through a year of extraordinary volatility and dominance of the Canadian market by one company, Nortel Networks Corporation, which moved from top to bottom in performance attribution in the main TSE indices.

We are pleased that CGI's portfolio benefited particularly well by its strong positions in the financial services and oil and gas sectors, which were positive contributors almost consistently through the year. These TSE sectors gained 52% and 47% respectively over the 12 months.

Canada overall, as represented by the TSE 300 Composite Index, had a wild ride in 2000 moving from top world performer early in the year down to the bottom among a group of 17 mostly negative senior markets for the final quarter. For the year in aggregate however, the TSE 300 still clinched the No. 2 spot behind Switzerland.

Market Price

Where performance has fallen well short of our expectations is in the market price of the CGI common shares on the Toronto Stock Exchange, where a decline of 11.3% was experienced through the year, adjusted for the December stock dividend. However we note that closed-end country funds suffered globally. This negative phase is not fully understood but in our opinion it is related to widespread market deterioration and negative economic, social and political factors, particularly in emerging markets. The pressures on many funds to wind up, also add to disenchantment among investors. In the Canadian market, CGI's shares also joined the steady decline of numerous small cap companies, generally those that were ignored by the many investors who focused on technology stocks, financial services and oil and gas.

We believe that many investors behind the selling pressure in 2000 were switching for the attractions of the technology market and the oil and gas trusts and were joined on the way out by shareholders who bought at higher prices during the period of CGI's superb relative performance five and six years ago.

Investors that seek closed-end funds are generally those who want long-term growth and income and those who value buying assets at a discounted price in the stock market.

CGI's market discount moved in a range of 20% to 36% over the past 12 months, before closing the year at 27.5%. These numbers are comparable to the New York Stock Exchange listed country funds where discounts are in the 25% to 30% range. CGI is well positioned to benefit from any reversal in global trends.

Strategy

We regard the first frantic phase of the new technologies era as virtually over and we await a more measured and selective appreciation from our year-

Letter to the Shareholders *(continued)*

end weighting of 13.2% in the technology sub-sector. Our present strategy in this sector going forward is to focus when and where it seems appropriate on companies exhibiting leadership in key areas such as electronic manufacturing services, data communications, security, business intelligence software, and network infrastructure enabling broadband data linked in particular with wireless delivery.

Continued strength in the Canadian market relative to the U.S. is expected although workforce reductions are taking place, particularly in the motor vehicle and new technologies industries. Some fall off in consumer confidence might be occurring but lower interest rates as well as tax reductions impacting both income and capital gains should have a mitigating effect. The impact of improved liquidity should more than offset slower GNP growth and make financial markets less challenging than in 2000.

Board of Directors

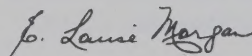
We accepted with regret on April 19, 2000 the resignation of Mr. Mark D. Mickleborough after many

years of creative and valued contribution. Since the year-end, the Board of Directors has appointed Mr. James G. Cook, B.A., LL.B. to fill the vacancy.

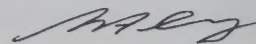
Management Company

In September 2000, the name of the management company was changed to Morgan Meighen & Associates Limited from MMA Investment Managers Limited. The change was undertaken in order to clearly represent a blend of the rich history of the company with the present company profile and its direction.

The Board records its appreciation for the considerable efforts of Morgan Meighen & Associates Limited which has a much expanded marketing team, in particular strengthening the investor relations effort.



E. Louise Morgan
Chairman
February 8, 2001



Michael A. Smedley
President
February 8, 2001

Management's Discussion and Analysis

The diversified approach of Canadian General Investments, Limited is well illustrated by year-end portfolio representation of 13 of the 14 sectors of the TSE 300 Composite Index, the benchmark for CGI's portfolio. The largest group in the portfolio, industrial products at 25%, was reduced from 37% at the end of 1999 and compared to 32% in the TSE 300 at year-end. The reduction from last year resulted mainly from lower exposure to technology related investments, attributable largely to the Nortel underweighting in the portfolio.

The next two largest groups in the CGI portfolio were financial services at 17% and oil and gas at 16%. These two TSE 300 sectors had very good years in 2000, providing returns of 52% and 47% respectively. Oil and gas, in particular, was overweighted in the portfolio throughout the year and contributed greatly to portfolio return.

Financial

On an after-tax basis, CGI posted a net investment loss of \$1,789,000 compared to a gain of \$447,000 last year.

Total investment income of \$4,764,000 for 2000 represents a decline of 28.9% from last year. The increased focus on growth stocks reduced income receipts. Dividend yield averages for the TSE 300 as a whole trended downwards throughout the year. Purchases of income generating stocks were made in late 2000 and should support higher dividend income in 2001.

Total expenses rose by 11.2% to \$8,536,000 compared to the previous year's \$7,675,000. The management fee increased by 25.1% to \$4,335,000 from \$3,465,000 and represented the majority of the expense increase. This fee is calculated quarterly at 1% per annum of the market value of CGI's investments adjusted for cash, and portfolio accounts receivable and payable. The appreciation in portfolio assets during the year is the reason for higher fees in 2000.

WEIGHTING OF PORTFOLIO INVESTMENTS AT MARKET

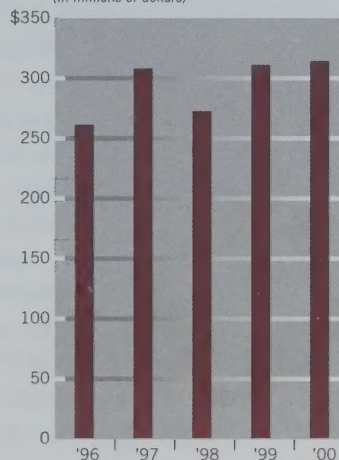
December 31, 2000



1	Industrial Products	25.1%
2	Financial Services	16.8%
3	Oil & Gas	15.9%
4	Communications & Media	10.4%
5	Consumer Products	7.0%
6	Utilities	5.1%
7	Metals & Minerals	4.7%
8	Gold & Precious Metals	4.0%
9	Merchandising	3.5%
10	Pipelines	2.6%
11	Other Sectors	4.9%

NET ASSETS

as at December 31
(in millions of dollars)



Management's Discussion and Analysis *(continued)*

The management expense ratio ("MER") for both 2000 and 1999 was 1.5%. In calculating MER, expenses exclude brokerage commissions, dividends on preference shares, amortization of deferred financing charges, and all income taxes.

Increased market volatility during the year induced higher trading activity, particularly in the technology sub-sector, which was overweight in CGI's portfolio early in the year. This provided large realized capital gains as the trading strategy was used to protect these gains. At year-end, the portfolio's technology sub-sector was underweight its benchmark, the TSE 300, influenced by a timely selling down of Nortel. The portfolio turnover rate was 82.6% in 2000 versus 58.1% in 1999, with the reduction in the Nortel position alone accounting for approximately 10% of turnover in 2000.

Assets

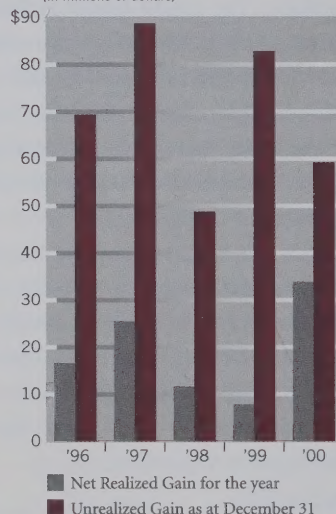
Year-end 2000 net assets were \$313,309,000, up 1.0% over last year's value, while portfolio assets were \$371,353,000, up 2.5%.

Basic net asset value per share ("NAV") at year-end was \$15.31 compared to \$15.17 a year ago. Fully diluted for shares issuable by the exercise of outstanding warrants on June 30 in the years 2000 to 2007, the NAV values were \$14.06 and \$13.98 respectively. On June 30, 2000, the first exercise date, 17,761 warrants were exercised for total proceeds of \$149,000.

Net realized gain on investments was \$33,785,000 compared to \$7,808,000 in 1999. Sales from the Nortel position alone during the year resulted in approximately \$24,193,000 in gross capital gains. Large gains were also realized in the financial services sector and other sectors. Market performance and the realization of gains caused a decline of \$23,655,000 in unrealized appreciation in investments. However, net gain on investments was still a positive \$10,130,000 for the year 2000, compared to a very strong performance in 1999 with a net gain of \$41,908,000.

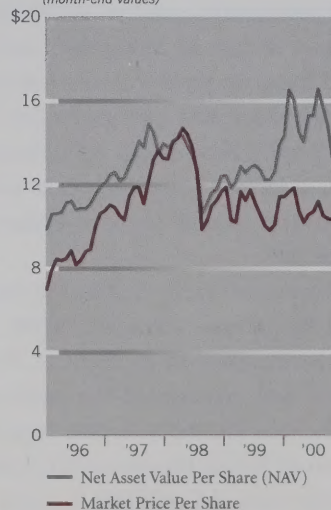
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS

Years 1996 to 2000
(in millions of dollars)



COMPARISON OF MARKET PRICE TO NAV

(Fully diluted)
Years 1996 to 2000
(month-end values)



NAV Growth

The compound average annual rates of return of fully diluted net asset value per share, with distributions reinvested, for the one, three and five years ended December 31, 2000 were 6.0%, 4.0% and 11.3% respectively. The TSE 300 Total Return Index had returns of 7.4%, 11.7% and 15.5% for the corresponding periods.

A stock exchange listed closed-end fund's value is best represented by net asset value growth, but the return to an investor is dependent upon the fund's market price. The difference between the share price and higher net asset value per share is referred to as the "discount". The Corporation's stock closed the year at \$10.20 compared to \$11.50 at year-end 1999, adjusted for the December 2000 stock dividend. CGI's discount to fully-diluted NAV was 27.5% at year-end.

Dividends

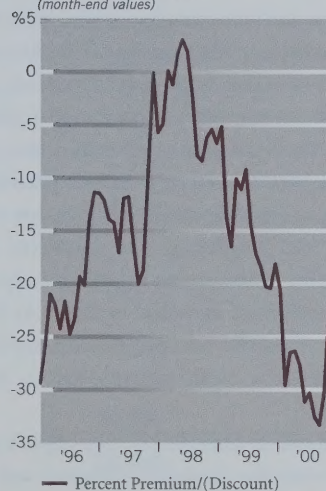
Total dividends paid to shareholders were substantially higher in 2000 at \$42,191,000 compared to \$12,638,000 in 1999. Due to large capital gains realized during the current year, under CGI's status as an investment corporation for tax purposes, the Board of Directors elected to distribute a year-end capital gains dividend of \$2.00 per share, compared to the previous year-end distribution of \$0.40. Both distributions consisted of cash and stock. During 2000, the Board consistently declared quarterly dividends in the form of regular income of \$0.06 per share.

Looking Forward

It is impractical to predict the constituents of the portfolio through 2001 but financials, oil and gas, as well as the technology sub-sector are likely to continue to be well represented.

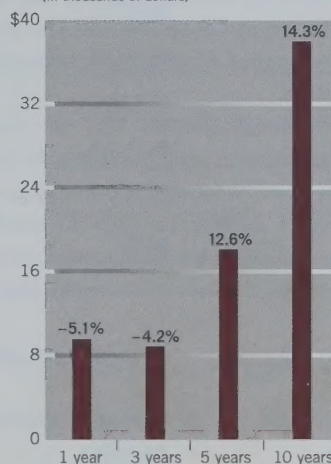
PREMIUM/(DISCOUNT) TO NAV

(Fully diluted)
Years 1996 to 2000
(month-end values)



GROWTH OF A \$10,000 INVESTMENT*

For 1, 3, 5 and 10 years
to December 31, 2000
(in thousands of dollars)



* Assuming reinvestment of dividends at month-end closing prices.

Financial Reports

Management's Report

The accompanying financial statements have been prepared by management and approved by the Board of Directors of the Corporation. Management is responsible for the information and representations contained in these financial statements and other sections of the Annual Report.

The Corporation maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with accounting principles generally accepted in Canada and include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Corporation are described in note 1 to the financial statements. Financial information used elsewhere in the Annual Report is consistent with that in the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities. An Audit Committee comprised of non-management Directors is appointed by the Board. The Audit Committee reviews the financial statements, adequacy of internal controls, the audit process and financial reporting with management and the external auditors. The Audit Committee reports to the Directors prior to the approval of the audited financial statements for publication.

PricewaterhouseCoopers LLP, the Corporation's external auditors, who are appointed by the shareholders, audited the financial statements in accordance with generally accepted auditing standards to enable them to express to the shareholders their opinion on the financial statements. Their report is set out on this page.



E. Louise Morgan
Chairman
February 8, 2001

Michael A. Smedley
President
February 8, 2001

Auditors' Report

*To the Shareholders of
Canadian General Investments, Limited*

We have audited the accompanying statements of net assets of **Canadian General Investments, Limited** as at December 31, 2000 and 1999, and the statement of investments as at December 31, 2000, the statements of operations, retained earnings, unrealized gain on investments and changes in net assets for the years then ended, and the statements of financial highlights for each of the years in the five-year period ended December 31, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2000 and 1999, and the results of its operations and the changes in its net assets for the years then ended and its financial highlights for each of the years in the five-year period ended December 31, 2000 in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
Toronto, Ontario
January 22, 2001

Statements of Net Assets

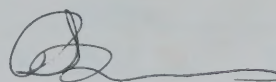
As at December 31, 2000 and 1999

	2000	1999
<i>(in thousands of dollars, except per share amounts)</i>		
Assets		
Investments (<i>note 1</i>)	\$ 365,413	\$ 361,395
Cash and short-term investments	5,940	4,628
Accrued interest and dividends	610	699
Income taxes recoverable	777	6,155
Deferred financing charge	913	1,246
	<u>373,653</u>	<u>374,123</u>
Liabilities		
Payable on securities purchased	—	3,688
Accounts payable and accrued liabilities	202	166
Accrued dividends on preference shares	142	142
Preference shares (<i>note 3</i>)	60,000	60,000
	<u>60,344</u>	<u>63,996</u>
Net Assets	<u>\$ 313,309</u>	<u>\$ 310,127</u>
Shareholders' Equity		
Common shares (<i>note 3</i>)	\$ 127,186	\$ 100,661
Unrealized gain on investments	59,123	82,778
Retained earnings	127,000	126,688
	<u>\$ 313,309</u>	<u>\$ 310,127</u>
Number of common shares outstanding	<u>20,465,597</u>	<u>20,446,294</u>
Number of warrants outstanding	<u>4,069,729</u>	<u>4,089,065</u>
Net asset value per common share – basic	<u>\$ 15.31</u>	<u>\$ 15.17</u>
Net asset value per common share – fully diluted	<u>\$ 14.06</u>	<u>\$ 13.98</u>

Approved by the Board of Directors



Director



Director

Statements of Operations

For the years ended December 31, 2000 and 1999

	2000	1999
<i>(in thousands of dollars)</i>		
Investment income		
Dividends	\$ 4,098	\$ 5,532
Interest	613	1,117
Other	53	52
	<u>4,764</u>	<u>6,701</u>
Expenses		
Management fees (note 6)	4,335	3,465
Dividends on preference shares	3,240	3,240
Amortization of deferred financing charge	332	332
Directors' fees	108	130
Other	521	508
	<u>8,536</u>	<u>7,675</u>
Investment loss before income taxes	(3,772)	(974)
Income tax recovery (note 2)	1,983	1,421
Net investment income (loss) for the year	<u>(1,789)</u>	<u>447</u>
Realized and unrealized gain on investments		
Net realized gain on investments (note 4)	33,785	7,808
Change in unrealized appreciation of investments	(23,655)	34,100
Net gain on investments	<u>10,130</u>	<u>41,908</u>
Increase in net assets resulting from operations	<u>\$ 8,341</u>	<u>\$ 42,355</u>

Statements of Retained Earnings

For the years ended December 31, 2000 and 1999

	2000	1999
<i>(in thousands of dollars, except per share amounts)</i>		
Retained earnings - Beginning of year	\$ 126,688	\$ 127,768
Add		
Net investment income (loss) for year	(1,789)	447
Net realized gain on investments	<u>33,785</u>	<u>7,808</u>
	158,684	136,023
Deduct		
Distributions from net realized gain on investments – net of income taxes recoverable	27,255	6,838
Distributions from net investment income	4,517	2,489
(Recovery of) provision for refundable taxes - net	<u>(88)</u>	<u>8</u>
	31,684	9,335
Retained earnings - End of year	\$ 127,000	\$ 126,688
Dividends per common share (note 5)		
Regular	\$ 0.240	\$ 0.135
Capital gains	<u>2.000</u>	<u>0.550</u>
	\$ 2.240	\$ 0.685

Statements of Unrealized Gain on Investments

For the years ended December 31, 2000 and 1999

	2000	1999
<i>(in thousands of dollars)</i>		
Unrealized gain on investments – Beginning of year	\$ 82,778	\$ 48,678
Change in unrealized appreciation of investments	<u>(23,655)</u>	<u>34,100</u>
Unrealized gain on investments - End of year	\$ 59,123	\$ 82,778

Statements of Changes in Net Assets

For the years ended December 31, 2000 and 1999

	2000	1999
<i>(in thousands of dollars)</i>		
Increase in net assets resulting from operations	\$ 8,341	\$ 42,355
Distributions to common shareholders (note 5)		
Net investment income	(4,517)	(2,489)
Net realized gain on investments	(37,674)	(10,149)
	(42,191)	(12,638)
Income taxes recoverable on distributions from net realized gain on investments	10,419	3,311
Net decrease (increase) in refundable dividend tax on hand	88	(8)
	(31,684)	(9,335)
Capital stock transactions		
Shares issued on reinvestment of distributions (note 3)	26,376	5,539
Shares issued on exercise of warrants (note 3)	149	—
	26,525	5,539
Increase in net assets	3,182	38,559
Net assets - Beginning of year	310,127	271,568
Net assets - End of year	\$ 313,309	\$ 310,127

Statements of Financial Highlights

For the five-year period ended December 31, 2000

	2000	1999	1998	1997	1996
Data per share – basic (note 7)					
Net asset value - Beginning of year	\$ 15.17	\$ 13.29	\$ 15.03	\$ 12.73	\$ 10.11
Income (loss) from investment operations					
Net investment income (loss) for the year	(0.09)	0.02	0.03	0.12	0.18
Net realized gain and unrealized gain (loss) on investments	0.48	2.04	(1.37)	2.20	2.35
	0.39	2.06	(1.34)	2.32	2.53
Distributions to investors					
From net investment income	(0.22)	(0.12)	(0.13)	(0.17)	(0.16)
From net realized gain on investments	(1.84)	(0.50)	(1.17)	(2.40)	(1.03)
	(2.06)	(0.62)	(1.30)	(2.57)	(1.19)
Income taxes recoverable on distributions from net realized gain on investments	0.51	0.17	0.38	0.78	0.34
Net decrease (increase) in refundable dividend tax on hand	—	—	0.08	(0.02)	(0.04)
	(1.55)	(0.45)	(0.84)	(1.81)	(0.89)
Capital stock transactions					
Shares issued on reinvestment of distributions	1.29	0.27	0.77	1.79	0.98
Shares issued on exercise of warrants	0.01	—	—	—	—
	1.30	0.27	0.77	1.79	0.98
Other					
Payment pursuant to issuer bid litigation	—	—	(0.33)	—	—
Net asset value - End of year	\$ 15.31	\$ 15.17	\$ 13.29	\$ 15.03	\$ 12.73
Ratios / supplemental data					
Total net assets – End of year (in thousands of dollars)	313,309	310,127	271,568	307,195	260,013
Weighted average net assets (in thousands of dollars)	337,302	278,372	281,604	292,932	235,651
Management expense ratio (note 7(b))	1.5%	1.5%	1.3%	1.3%	1.3%
Portfolio turnover rate (note 7(c))	82.6%	58.1%	47.9%	36.6%	42.1%
Annual net asset value growth, with distributions reinvested (note 7(d))	6.0%	14.9%	(7.5)%	22.3%	24.2%

Statement of Investments

December 31, 2000

NUMBER OF SHARES OR PAR VALUE	INVESTMENT – % OF TOTAL MARKET VALUE	MARKET COST	MARKET VALUE
(in thousands of dollars)			

COMMUNICATIONS & MEDIA – 10.4%			
175,000	Astral Communications Inc. A	6,179	8,050
100,000	CHUM Limited, B*	5,666	5,310
125,000	Cogeco Cable Inc.+	4,485	4,275
500,000	Regional Cablesystems Inc.+	6,248	5,875
200,000	SHAW Communications Inc. B	1,122	7,000
60,000	The Thomson Corporation	3,048	3,444
200,000	Torstar Corporation B*	4,305	4,060
		<u>31,053</u>	<u>38,014</u>

CONGLOMERATES – 1.3%			
113,750	Canadian Pacific Limited+	4,789	4,863
		<u>4,789</u>	<u>4,863</u>

CONSUMER PRODUCTS – 7.0%			
80,000	Biovail Corporation	3,111	4,672
100,000	Corby Distilleries Limited A*	5,004	4,655
70,000	Corby Distilleries Limited B	4,416	3,045
60,000	Forbes Medi-Tech Inc.	1,045	270
200,000	MDS Inc.+	5,873	4,440
150,000	Molson Inc. A	4,224	6,450
50,000	QLT Inc.*	4,466	2,102
		<u>28,139</u>	<u>25,634</u>

FINANCIAL SERVICES – 16.8%			
200,000	A.G.F. Management Limited B*	5,204	4,900
105,000	Bank of Montreal	6,535	8,253
150,000	The Bank of Nova Scotia+	6,533	6,480
150,000	C.I. Fund Management Inc.	1,769	2,468
100,000	Canada Life Financial Corporation	2,039	4,185
75,000	Clarica Life Insurance Company*	3,071	3,146
404,300	Guardian Capital Group Ltd. A	2,890	3,457
115,000	Mackenzie Financial Corporation	3,010	3,134
100,000	Power Financial Corporation*	3,238	3,485
230,000	Royal Bank of Canada	7,948	11,695
100,000	Sun Life Financial Services of Canada Inc.	1,533	4,000
140,000	The Toronto Dominion Bank	4,022	6,083
		<u>47,792</u>	<u>61,286</u>

NUMBER OF SHARES OR PAR VALUE	INVESTMENT – % OF TOTAL MARKET VALUE	COST	MARKET VALUE
(in thousands of dollars)			

GOLDS & PRECIOUS METALS – 4.0%			
400,000	Aber Diamond Corporation	4,316	5,620
161,000	Barrick Gold Corporation*	3,906	3,962
214,600	Dia Met Minerals Ltd. B	4,466	4,925
38,000	Franco-Nevada Mining Corporation Limited wts	87	266
		<u>12,775</u>	<u>14,773</u>

INDUSTRIAL PRODUCTS – 25.1%			
220,000	Agrium Inc.*	3,987	4,763
60,000	Alcatel Networks Corporation exch. shares	3,379	5,016
250,000	BAE Systems Canada Inc.	3,829	5,850
50,000	Ballard Power Systems Inc.	3,588	4,725
500,000	Bombardier Inc. B	2,549	11,575
200,000	CAE Inc.*	4,494	4,880
100,000	Celestica Inc.	6,013	8,100
95,400	Certicom Corporation	3,586	2,862
100,000	Cognos, Inc.	4,309	2,800
305,000	COM DEV International Ltd.+	4,076	4,728
95,000	Creo Products Inc.	5,318	2,921
88,000	DuPont Canada Inc. A	3,211	4,479
225,000	Intertape Polymer Group Inc.+	5,856	2,475
830,000	itemus inc.	1,885	374
80,000	JDS Uniphase Canada Ltd. exch. shares	4,949	5,320
225,001	Nortel Networks Corporation	10,860	10,856
30,000	PMC-Sierra, Inc.	4,581	3,539
55,000	Potash Corporation of Saskatchewan Inc.	5,401	6,451
		<u>81,871</u>	<u>91,714</u>

MERCHANDISING – 3.5%			
30,000	Four Seasons Hotels Inc.*	2,820	2,859
70,000	George Weston Limited	4,834	5,887
200,000	Metro Inc. A*	4,037	4,120
		<u>11,691</u>	<u>12,866</u>

NUMBER OF SHARES OR PAR VALUE	INVESTMENT – % OF TOTAL MARKET VALUE	COST	MARKET VALUE
<i>(in thousands of dollars)</i>			

METALS & MINERALS – 4.7%

300,000	Cominco Ltd.+	6,946	7,515
61,750	Inco Limited pfd. series E	3,826	3,590
87,700	Inco Limited wts. 8/21/06*	727	719
300,000	Labrador Iron Ore Royalty Income Fund+	3,376	4,200
1,000,000	Teck Corporation due April 30, 2024 exch. deb.	1,000	1,071
		<u>15,875</u>	<u>17,095</u>

OIL & GAS – 15.9%

200,000	Baytex Energy Ltd. A+	1,915	2,000
500,000	Canadian 88 Energy Corp.+	1,919	2,010
673,200	Gulf Canada Resources Limited+	5,158	5,150
370,000	Husky Energy Inc.	4,545	5,513
155,999	Maverick Tube (Canada) Ltd.	2,934	5,460
110,000	Nexen Inc.	2,697	4,070
225,000	PanCanadian Petroleum Limited	3,629	9,416
250,000	Petro-Canada+	4,739	9,537
80,000	Precision Drilling Corporation+	4,140	4,500
275,000	Suncor Energy, Inc.+	3,761	10,533
		<u>35,437</u>	<u>58,189</u>

PIPELINES – 2.6%

110,000	Enbridge Inc.	3,532	4,807
263,000	TransCanada PipeLines Limited	6,603	4,524
		<u>10,135</u>	<u>9,331</u>

REAL ESTATE – 1.7%

230,000	Brookfield Properties Corporation	5,799	6,072
		<u>5,799</u>	<u>6,072</u>

TRANSPORTATION & ENVIRONMENT – 0.8%

126,400	Westjet Airlines Ltd.+	3,237	2,939
		<u>3,237</u>	<u>2,939</u>

NUMBER OF SHARES OR PAR VALUE	INVESTMENT – % OF TOTAL MARKET VALUE	COST	MARKET VALUE
<i>(in thousands of dollars)</i>			

UTILITIES – 5.1%

100,000	Canadian Utilities Limited A	2,342	5,100
150,000	Emera Inc.*	2,585	2,655
150,000	Manitoba Telecom Services Inc.*	4,372	5,760
225,000	TransAlta Corporation+	4,595	4,950
		<u>13,894</u>	<u>18,465</u>

PREFERRED SHARES – 1.1%

155,000	Falconbridge Limited pfd. series 2	3,404	3,565
175,000	Gulf Canada Resources Limited pfd. series A	399	607
		<u>3,803</u>	<u>4,172</u>

TOTAL INVESTMENTS – 100.0%

– December 31, 2000	<u>\$306,290</u>	<u>\$365,413</u>
– December 31, 1999	<u>\$278,617</u>	<u>\$361,395</u>

Changes from September 30, 2000

* New Holdings

+ Increased Holdings

Notes to Financial Statements

December 31, 2000 and 1999

1. Summary of significant accounting policies

Valuation of investments

Market values of securities are based on closing market quotations.

No provision is made for future income taxes on the unrealized gain on investments since such taxes would be recoverable upon payment of capital gains dividends by the Company (*note 2*).

Investment transactions

Investment transactions are recorded on the trade date. Realized gains and losses from investment transactions are calculated on an average cost basis.

Dividend and interest income

Dividend income is recorded on the ex-dividend date and interest income is recognized as earned.

Foreign exchange

Assets and liabilities denoted in foreign currencies are translated into Canadian dollars at year-end rates. Investment income, expenses and purchases and sales of investments are calculated at the exchange rates prevailing on the dates of the transactions.

Deferred financing charge

Preference share issuance costs are amortized on a straight-line basis over a five-year period commencing from date of issue.

2. Taxation and refundable capital gains tax

The Company qualifies as an investment corporation under Section 130 of the Income Tax Act (Canada) and is subject to a reduced rate of tax on its investment income other than dividends received from taxable Canadian corporations and net taxable capital gains. The Company's provision for income taxes is determined as follows:

Statements of operations	Years ended December 31,	
	2000	1999
	<i>(in thousands of dollars)</i>	
Recovery of income taxes based on combined Canadian federal and provincial income tax rate	\$ (1,658)	\$ (435)
Increase (decrease) in taxes resulting from		
Dividends from taxable Canadian companies	(1,801)	(2,469)
Dividends on preference shares	1,424	1,446
Other	52	37
Actual recovery of income taxes	<u>\$ (1,983)</u>	<u>\$ (1,421)</u>
Net realized gain on investments (<i>note 4</i>)	Years ended December 31,	
	2000	1999
	<i>(in thousands of dollars)</i>	
Provision for income taxes based on combined Canadian federal and provincial income tax rate	\$ 20,474	\$ 5,211
Increase (decrease) in taxes resulting from		
Non-taxable portion of net capital gains	(7,254)	(1,303)
Differences arising from use of different cost bases for tax and accounting purposes and other items	(86)	60
Reduced corporate surtax for investment corporations	(335)	(98)
Actual provision for income taxes	<u>\$ 12,799</u>	<u>\$ 3,870</u>

Income taxes are paid by the Company on net capital gains realized at the rate of approximately 33%. These taxes are recoverable by the Company, as long as it continues to qualify as an investment corporation. The Company has refundable capital gains tax of approximately \$600,000 at December 31, 2000 (1999 – \$200,000) which is refundable upon payment of capital gains dividends of approximately \$3,200,000 (1999 – \$1,600,000). This potential recovery has not been recorded in the Company's accounts.

The Company is also subject to a special tax of 33-1/3% on taxable dividends received from corporations resident in Canada. This special tax is refundable on payment of taxable dividends to shareholders at the rate of \$1.00 for each \$3.00 of such dividends paid. There is no amount eligible for refund at December 31, 2000. The amount eligible for refund at December 31, 1999, all of which is included in the statement of retained earnings, amounted to approximately \$88,000.

In accordance with the Income Tax Act (Canada) (the Act), a corporation can qualify as an investment corporation if certain tests are satisfied. One of the tests is that the corporation cannot have specified shareholders. A specified shareholder is generally a shareholder, who, along with certain persons with whom the shareholder is related, has a greater than 25% shareholding. The Company has specified shareholders since June 20, 1996. The specified shareholder section of the Act generally allows the Company to maintain its investment corporation status as long as it does not have any specified shareholders other than those specified shareholders existing on June 20, 1996. In addition, the specified shareholders at June 20, 1996 cannot, after that date, contribute capital or acquire additional shares of the Company other than through certain specified transactions.

3. Capital stock, net investment income per share and net asset value per share

Common shares

The Company is authorized to issue an unlimited number of common shares.

The changes in common shares were as follows:

	2000		1999	
	Number of shares	Amount \$ (in thousands of dollars)	Number of shares	Amount \$ (in thousands of dollars)
Balance – Beginning of year	18,812,617	100,661	18,441,872	95,122
Stock dividends (note 5)	1,635,219	26,376	370,745	5,539
Exercise of warrants	17,761	149	—	—
Balance – End of year	20,465,597	127,186	18,812,617	100,661

The weighted average number of shares outstanding during the year ended December 31, 2000 as adjusted retroactively for the stock dividends (note 5) was 20,456,051 (1999 – 20,446,294).

Preference shares

The Company is authorized to issue in series a class of preference shares of which 2,400,000, 5.40% cumulative, redeemable Class A preference shares, Series 1 (the Series 1 Shares) were outstanding during the years ended December 31, 2000 and 1999.

On and after October 5, 2003 to October 4, 2008, the Company may redeem for cash all, but not less than all of the Series 1 Shares upon payment of a redemption price equal to the higher of the Yield Price (as defined) and \$25.00 per share together with accrued and unpaid dividends to the date of redemption. The Company can redeem in whole or in part and the holder may require the company to redeem the Series I Shares on or after October 5, 2008 at \$25.00 per share.

Warrants

The Company has 4,069,729 warrants outstanding that are exercisable on June 30 each year, commencing June 30, 2000 and ending on June 30, 2007. On June 30, 2000, the first exercise date, 17,761 warrants were exercised for total proceeds

Notes to Financial Statements *(continued)*

December 31, 2000 and 1999

of \$149,000. As at December 31, 2000, each warrant entitles the holder to subscribe for a common share at a price of \$7.75 (1999 – \$8.08) per share, subject to adjustment based on the warrant indenture. Upon approval of the audited financial statements for 2000 by the Board of Directors, in accordance with the warrant indenture, the exercise price will be reduced to \$6.94 (1999 – \$7.75) per share as a result of cash dividends paid in excess of net income in each year.

Net investment income per share and net asset value per share

The calculation of net investment income per share is based on the weighted average number of shares outstanding and the calculation of net asset value per share is based on the number of shares outstanding at the end of the period.

4. Net realized gain on investments

The net realized gain on investments was as follows:

	2000	1999
	<i>(in thousands of dollars)</i>	
Proceeds from disposition of investments	\$ 349,776	\$ 192,084
Investments at cost – Beginning of year	278,617	262,876
Investments purchased during the year	330,865	196,147
Investments at cost – End of year	(306,290)	(278,617)
Cost of investments disposed of during the year	303,192	180,406
Realized gain on disposition of investments before income taxes	46,584	11,678
Income taxes on realized net taxable capital gains <i>(note 2)</i>	12,799	3,870
Net realized gain on investments	\$ 33,785	\$ 7,808

5. Common share dividends and recoverable capital gains income taxes

The following common share dividends were paid during the years indicated:

	2000	1999
	<i>(in thousands of dollars)</i>	
Regular dividends		
Cash dividends \$0.24 (1999 – \$0.135) per share	\$ 4,517	\$ 2,489
Capital gains dividends		
Cash dividends of \$0.60 (1999 – \$0.25) per share	11,298	4,610
Stock dividends of \$1.40 (1999 – \$0.30) per share	26,376	5,539
	37,674	10,149
Total dividends paid including cash dividends of \$15,815,000 (1999 – \$7,099,000)	\$ 42,191	\$ 12,638

The income taxes recoverable on capital gains dividends paid were as follows:

	2000	1999
	<i>(in thousands of dollars)</i>	
On capital gains cash dividends	\$ 3,126	\$ 1,504
On capital gains stock dividends	7,293	1,807
	\$ 10,419	\$ 3,311

6. Related party information

Management fees are paid monthly to Morgan Meighen & Associates Limited (formerly MMA Investment Managers Limited), a corporation under common control with the Company, for services received in connection with the management of the Company's financial accounts and investment portfolio. Management fees are computed quarterly at 1% per annum of the market value of the Company's investments adjusted for cash, portfolio accounts receivable and portfolio accounts payable. Values for fee calculation purposes are determined on the basis of the published financial statements of the Company as at the last day of the immediately preceding quarter-year period.

7. Financial highlights

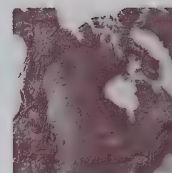
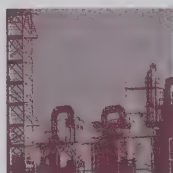
Explanatory notes

- a) All data per share, except opening and closing net asset values, are based on the average number of shares outstanding during the year. Data per share has been restated based on the number of common shares outstanding at December 31, 2000 as a result of shares issued on reinvestment of distributions during the year.
- b) The management expense ratio is calculated based on all expenses of the Company (other than brokerage commissions, dividends on preference shares, amortization of deferred financing charge, interest related to issuer bid litigation and all income taxes) expressed as a percentage of the average monthly net assets of the Company.
- c) The portfolio turnover rate is calculated by dividing the lesser of purchases or sales of securities, excluding securities having maturity dates at acquisition of one year or less, by the weighted average value of the portfolio securities held during the year.
- d) Annual net asset value growth is calculated based on the change in fully diluted net asset value per share with reinvestment of distributions at month-end closing fully diluted net asset values.

Investment Portfolio – Ten Largest Investments

December 31, 2000

(in thousands of dollars)



Royal Bank of Canada Royal Bank is the largest Canadian Chartered bank as measured by assets and market capitalization. After being denied by the Minister of Finance its combination with Bank of Montreal two years ago, the bank has pursued international expansion, primarily in the United States. Royal has earnings momentum, high profitability and a strong wealth management platform – indicators of a healthy future.

COST	7,948
MARKET VALUE	11,695
% OF TOTAL INVESTMENT PORTFOLIO	3.2

Bombardier Inc. Bombardier is an example of a successful long-term holding in CGI's portfolio. Bombardier had a stellar year in 2000 with a 56% return. One of Canada's most successful industrial companies, prospects for continued growth are very positive. It is a leading global manufacturer of transportation, aerospace and recreational products. Annual revenues for 2000 were in excess of \$13 billion with an exceptional \$31 billion order backlog.

COST	2,549
MARKET VALUE	11,575
% OF TOTAL INVESTMENT PORTFOLIO	3.2

Nortel Networks Corporation Nortel is one of the largest suppliers of communications infrastructure in the world with leadership in key areas such as optical and wireless. Considerable capital gains were realized on the holding as the position was sold down during the year. Longer term, we feel that Nortel will again provide substantial gains for the portfolio.

COST	10,860
MARKET VALUE	10,856
% OF TOTAL INVESTMENT PORTFOLIO	3.0

Suncor Energy, Inc. Suncor is a Canadian integrated oil and gas company with exploration and production operations, refining, marketing and a large stake in developing tar sands in Western Canada. The company's focus is to quadruple tar sands production to 450,000 barrels per day by 2008 and reduce operating costs.

COST	3,761
MARKET VALUE	10,533
% OF TOTAL INVESTMENT PORTFOLIO	2.9

Petro-Canada Petro-Canada is a large integrated oil and gas production and refining company with assets throughout Canada. Impressive production growth is expected from extensive offshore operations in eastern Canada (e.g. Hibernia, Terra Nova) and significant oil sands assets in Alberta. Sale of the Government of Canada 18% share block, a leftover position from original privatization, is speculated in the near to medium term.

COST	4,739
MARKET VALUE	9,537
% OF TOTAL INVESTMENT PORTFOLIO	2.6

PanCanadian Petroleum Limited PanCanadian is one of Canada's largest oil and gas producers. It operates primarily in Western Canada but has significant interests offshore Eastern Canada and participates internationally in Australia, Brazil and the Gulf of Mexico. It has an extensive undeveloped land base in Canada and is 87% owned by Canadian Pacific Ltd.

COST	3,629
MARKET VALUE	9,416
% OF TOTAL INVESTMENT PORTFOLIO	2.6

Bank of Montreal Bank of Montreal provides a full range of personal and commercial banking services in Canada and through Harris Bank in the Chicago area. Bank of Montreal's stock was the second best performing bank stock in the TSE 300 for the year 2000 with a gain of 59%. We look for a less restrictive regulatory environment for financial services in the year 2001 with the possibility of bank mergers reappearing in Canada.

COST	6,535
MARKET VALUE	8,253
% OF TOTAL INVESTMENT PORTFOLIO	2.3

Celestica Inc. Celestica is the third-largest electronic manufacturing services (EMS) company in the world. Celestica provides logistical, manufacturing and engineering capabilities to original equipment manufacturers (OEMs) such as computer and network equipment companies. The company should continue building on a revenue base in excess of \$10 billion, as the outsourcing trend continues from the OEMs.

COST	6,013
MARKET VALUE	8,100
% OF TOTAL INVESTMENT PORTFOLIO	2.2

Astral Communications Inc. A new member of the top ten list this year, Astral is a diversified media company with premium assets in Canada and a particularly strong presence in Quebec. Pay television, French-language specialty and radio broadcasting and outdoor advertising make Astral's portfolio of media assets extremely valuable.

COST	6,179
MARKET VALUE	8,050
% OF TOTAL INVESTMENT PORTFOLIO	2.2

Corby Distilleries Limited Corby is a leading Canadian alcoholic beverage company marketing a full range of domestic and imported spirits and wines. Well-known brand names include Beefeater gin, Canadian Club whiskey, Polar Ice vodka and Kahlua. The company generates solid cash flows and has historically provided generous dividend yields to its shareholders.

COST	9,420
MARKET VALUE	7,700
% OF TOTAL INVESTMENT PORTFOLIO	2.1

TOTAL

COST	61,633
MARKET VALUE	95,715
% OF TOTAL INVESTMENT PORTFOLIO	26.3

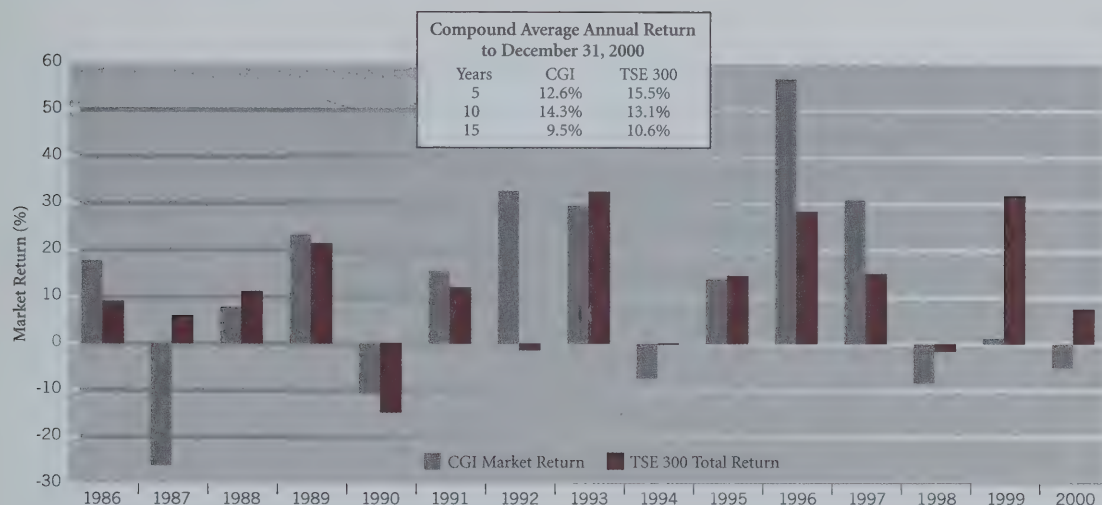
Illustration of an Assumed Fifteen Year Investment of \$10,000

CALENDAR YEARS ENDING DECEMBER 31	MARKET VALUE OF ORIGINAL SHARES	CUMULATIVE MARKET VALUE OF DIVIDENDS RE-INVESTED	TOTAL MARKET VALUE	TOTAL NET ASSET VALUE (Fully Diluted)
1985	\$ 10,000	\$ 0	\$ 10,000	\$ 13,455
1986	11,383	393	11,776	14,642
1987	8,085	612	8,697	13,879
1988	8,298	1,087	9,385	15,123
1989	9,787	1,791	11,578	17,354
1990	8,298	2,040	10,338	16,495
1991	9,149	2,801	11,950	19,036
1992	11,702	4,171	15,873	19,244
1993	14,681	5,887	20,568	25,301
1994	12,021	7,022	19,043	26,343
1995	12,926	8,760	21,686	30,599
1996	18,255	15,744	33,999	38,184
1997	19,979	24,522	44,502	46,918
1998	16,596	24,175	40,771	43,468
1999	15,957	25,307	41,265	50,178
2000	13,021	26,152	39,173	53,998

The above table illustrates the growth of an investment of \$10,000 in common shares of the Company at the end of 1985, with all dividends and distributions reinvested in additional shares at the month-end closing price for the months in which the dividends were paid. The average annual compound rate of return, without deduction of commission, for the 15 year period ended December 31, 2000 was 9.5%. No adjustment has been made for any income taxes which may be payable by a shareholder. These results should not be considered representative of the dividend income or capital gain or loss which may be realized in the future.

Fifteen Year Market Return

CGI versus TSE 300



The bars on the chart depict historical market returns for an investment in CGI common shares, as measured by share price appreciation with distributions reinvested, compared with the TSE 300 Total Return, for each of the past 15 years.

Ten Year Performance Summary

	NET ASSETS	NET ASSETS PER SHARE	NET ASSETS PER SHARE	NET INVESTMENT INCOME (LOSS)	NET INVESTMENT INCOME (LOSS) PER SHARE	DIVIDENDS PER SHARE	DIVIDENDS PER SHARE	MARKET VALUE OF SHARE		
		(Basic)	(Fully Diluted)	(LOSS)		(Income)	(Capital Gains)	High	Low	Close
	(000's)			(000's)						
1991	\$258,965	\$7.98		\$8,496	\$0.26	\$0.239		\$5.53	\$4.19	\$5.01
1992	252,082	7.76		6,905	0.21	0.239		7.45	5.01	6.40
1993	320,881	9.88		7,132	0.22	0.239		8.38	6.05	8.03
1994	186,040	9.10		2,635	0.12	0.143	\$0.800	9.08	6.40	6.52
1995	206,805	10.11	\$9.98	4,060	0.20	0.157	0.052	7.80	6.17	7.07
1996	260,338	12.73	12.16	3,822	0.18	0.157	1.030	10.91	7.07	10.83
1997	307,195	15.03	14.07	2,394	0.12	0.173	2.400	14.32	9.47	13.34
1998	271,568	13.29	12.50	624	0.03	0.129	1.165	15.05	9.10	11.73
1999	310,127	15.17	13.98	447	0.02	0.122	0.496	13.30	9.52	11.50
2000	313,309	15.31	14.06	(1,789)	(0.09)	0.221	1.840	12.79	8.80	10.20

Per share figures have been restated to reflect the 1992 2 for 1 stock split, the 1996 3 for 1 stock split, the 1996 1 for 11.8682 capital gain stock dividend (issue price of \$16.62), the June 1997 1 for 22.3021 capital gain stock dividend (issue price of \$17.85), the December 1997 1 for 12.9298 capital gain stock dividend (issue price of \$19.40), the June 1998 1 for 59.95795 capital gain stock dividend (issue price of \$18.01), the December 1998 1 for 24.68567 capital gain stock dividend (issue price of \$14.82), the December 1999 1 for 49.79647 capital gain stock dividend (issue price of \$14.94) and the December 2000 1 for 11.51551 capital gain stock dividend (issue price of \$16.13).

Board of Directors

E. LOUISE MORGAN is Chairman of the Corporation. She has been an officer, and in the management of Canadian General Investments, Limited since 1955 and has been a director since 1982. She is President and controlling shareholder of the Manager, Morgan Meighen & Associates Limited and Chairman and a director of Third Canadian General Investment Trust Limited and Canadian World Fund Limited. She is President of The Catherine and Maxwell Meighen Foundation and a member of the Board of Directors of the Canadian Opera Company and a member of both the Executive Committee and House Committee of the COC.

MICHAEL A. SMEDLEY is President of the Corporation and has been a member of the Board since 1989. He is Executive Vice-President and Chief Executive Officer of the Manager, Morgan Meighen & Associates Limited which he joined in 1987, thereafter assuming management of the Corporation's portfolio in 1988. He is President and a director of Third Canadian General Investment Trust Limited and Canadian World Fund Limited. He is a speaker at the conference level in Canada, the United States and the United Kingdom, and writes on investment topics for various publications. His investment career started in Canada in 1969 and since that time he has spent over 20 years with Canadian and U.S. investment firms in Canada, Hong Kong and London. He has also worked for 18 years in journalism and public relations in the United Kingdom, South Africa, Zambia, Kenya, Tanzania, Canada, Malaysia and Singapore.

RONALD D. BARNES, elected April 28, 1994 has over 30 years experience in the investment industry, involving all areas of the business including investment banking, sales management and compliance. He is President of Barmac Capital Management Inc. and a director of a number of public companies including Third Canadian General Investment Trust Limited.

ALBERT E. BATES, was elected to the Board June 1, 1993. Prior to 1987 he was a senior executive with the Bank of Montreal and from 1987 to 1990 he was President of Metropolitan Life Insurance Company of Canada Limited. From 1990 to his retirement in 1992 he was President and subsequently Chairman – Canadian Subsidiaries – Metropolitan Life Insurance. He is also a director of Third Canadian General Investment Trust Limited and a director of Harris Trust/Bank of Montreal, Florida.

M. PAUL BLOOM, elected June 1, 1993 has over 20 years of experience as an investment manager. He is currently President and a director of Bloom Investment Counsel, Inc., a Toronto based investment management firm established by him in 1985.

JAMES G. COOK, appointed February 8, 2001, is a partner in the Toronto law firm of Black and Cook. He has over 25 years of experience in commercial/corporate law involving mergers and acquisitions, international transactions and real estate development and acts as legal counsel to many private corporations in Toronto. He is currently a director of the Toronto Cricket, Skating and Curling Club.

CARL S. HUTMAN, elected June 1, 1993 has long experience in the venture capital and investment banking sectors. He was a founding general partner in 1980 of Investech, L.P. in New York, a venture capital partnership investing in emerging growth companies, a position he held until 1992. From 1996 to 1999, he was managing director of Fundamental Management Corporation, an investment management firm. He is currently a private investor and a director of Third Canadian General Investment Trust Limited, Canadian World Fund Limited and Harris Trust/Bank of Montreal, Florida.

NICHOLAS L. MAJENDIE, elected April 28, 1994 has over 30 years of experience in the investment business. He was for 11 years, Chief Executive Officer of Majendie Charlton Securities Limited. He is currently Senior Vice-President and Director at Canaccord Capital Corporation, headquartered in Vancouver.

VANESSA L. MORGAN, elected to the Board April 1, 1997, is Vice-Chairman of the Corporation. A Chartered Financial Analyst, she is a Senior Vice-President of the Manager, Morgan Meighen & Associates Limited which she joined in July 2000. Prior to joining the Manager she was C.F.O. and Secretary of Denbridge Capital Corporation. She is a director and Vice-Chairman of Third Canadian General Investment Trust Limited, and Canadian World Fund Limited. She is also a director of the Catherine and Maxwell Meighen Foundation.

ERNEST J. ROYDEN, elected June 1, 1993 has over 28 years of experience in the securities industry. He is currently Vice-President at Dominick and Dominick Securities Inc. and also the Treasurer and a director of a charitable society – The Toronto Humane Society.

Closed-End Funds Simply Understood

- *Fixed number of shares*
- *Usually listed and traded on a stock exchange*
- *Bought and sold through investment dealers and brokers*
- *Commission charges only*
- *Trade usually below real value*
- *May pay cash and/or stock dividends*
- *Often have dividends and dividend reinvestment plans*
- *May employ leverage*

Dividend Reinvestment and Share Purchase Plan

CGI's Dividend Reinvestment and Share Purchase Plan offers an efficient method of acquiring additional shares. As well as reinvesting dividends, shareholders may purchase additional shares for cash (minimum \$100 – maximum \$5,000) every quarter. U.S. shareholders are eligible for the dividend reinvestment segment of the Plan only.

Shares are purchased for the Plan in the open market during the 30 days prior to each regular dividend payment date. The buying fosters trading activity and is non-dilutive. Plan participants pay

the average cost and administrative charges are paid by the Corporation.

Canadian shareholders may use the Plan for self-directed RRSPs. They should contact their personal investment counsellor or RRSP plan trustee for guidance.

The address of the Administrator (Montreal Trust Company of Canada) is shown on the inside back cover.

Dividend reinvestment plans are also offered to CGI shareholders by a number of brokers in Canada.

Corporate Information – Canadian General Investments, Limited

Board of Directors

Ronald D. Barnes*
Albert E. Bates
M. Paul Bloom
James G. Cook
Carl S. Hutman
Nicholas L. Majendie
E. Louise Morgan
Vanessa L. Morgan
Ernest J. Royden*
Michael A. Smedley

**Neither Mr. Barnes nor Mr. Royden are standing for re-election to the Board at the April 4, 2001 meeting of shareholders.*

Audit Committee

Ronald D. Barnes
Albert E. Bates
Carl S. Hutman

Corporate Governance Committee

Albert E. Bates
Vanessa L. Morgan

Officers

E. Louise Morgan
Chairman

Vanessa L. Morgan
Vice-Chairman

Michael A. Smedley
President

Colin Smith
Secretary-Treasurer

Frank Fuernkranz, MBA, CA, CFA
Assistant-Treasurer

Office of the Company

110 Yonge Street, Suite 1601
Toronto, Ontario, Canada
M5C 1T4

Telephone: (416) 366-2931
1-866-443-6097

Fax: (416) 366-2729

e-mail:

cgifund@mmainvestments.com

website:

www.mmainvestments.com

Auditors

PricewaterhouseCoopers LLP
Toronto

Bankers

Bank of Montreal
Toronto

Solicitors

Blake, Cassels & Graydon LLP
Toronto

Canadian Registrar and Transfer Agent

Montreal Trust Company of Canada

100 University Avenue
11th Floor
Toronto, Ontario, Canada
M5J 2Y1

Telephone: (416) 981-9633
1-800-663-9097

Fax: (416) 981-9507

e-mail:

mmamail@montrealtrust.com

To change your address, eliminate multiple mailings or for other shareholder account inquiries, please contact Montreal Trust at the above address.

U.K. Transfer Agent

CIBC Mellon Trust Company
Balfour House
390 High Road
Ilford, Essex
IG1 1NQ
Tel: (020) 8478 1888
Fax: (020) 8553 0784

U.K. Stockbroker

Teather & Greenwood Limited
15 St. Botolph Street
London EC3A 7QR
Tel: (020) 7426 9000
Fax: (020) 7426 9595

Publication

The Corporation calculates and releases its fully-diluted net asset value per share (NAV) on a daily basis. The NAV is published in various media in Canada, the United States and the United Kingdom.

The Corporation will provide a list of its weekly top 10 portfolio holdings (priced at market), together with current discount and market return information to any interested party upon request.

Stock Exchange Listings

The Toronto Stock Exchange

Trading Symbols:
Common Shares CGI
Preference Shares CGI.PR.A
Warrants CGI.WT

The London Stock Exchange

Reuters Symbols:
Common Shares CGIq.L
Warrants CGI%q.L

The Corporation is a member of the Closed-End Fund Association ('CEFA') in North America.

Annual Meeting of Shareholders

The Annual and Special Meeting of the shareholders of Canadian General Investments, Limited will be held at 2:00 p.m. (Toronto time) Wednesday, April 4, 2001 in Room B, 4th Floor, The Toronto Board of Trade, 77 Adelaide Street West, First Canadian Place, Street Level (Adelaide Street entrance), Toronto, Ontario, M5X 1C1.

Canadian General Investments, Limited

110 Yonge Street, Suite 1601
Toronto, Ontario, Canada
M5C 1T4

Tel: (416) 366-2931

1-866-443-6097

Fax: (416) 366-2729

e-mail: cglfund@mmainvestments.com

website: www.mmainvestments.com